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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.
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08/976,159 11/21/97 BRANDER

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TM02/0207

EXAMINER

ROMAIN, J

ART UNIT	PAPER NUMBER
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2163

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02/07/01

Please find below and/or attached an Office communication concerning this application or proceeding.

Commissioner of Patents and Trademarks

# Office Action Summary

Application No.  
**08/976,159**

Applicant(s)  
**Brander et al.**

Examiner  
**Romain Jeanty**

Group Art Unit  
**2163**



- ☐ Responsive to communication(s) filed on \_\_\_\_\_
- ☐ This action is **FINAL**.
- ☐ Since this application is in condition for allowance except for formal matters, **prosecution as to the merits is closed** in accordance with the practice under *Ex parte Quayle*, 35 C.D. 11; 453 O.G. 213.

A shortened statutory period for response to this action is set to expire three month(s), or thirty days, whichever is longer, from the mailing date of this communication. Failure to respond within the period for response will cause the application to become abandoned. (35 U.S.C. § 133). Extensions of time may be obtained under the provisions of 37 CFR 1.136(a).

## Disposition of Claim

- ☒ Claim(s) 1-32 is/are pending in the application.
- Of the above, claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- ☒ Claim(s) 1-32 is/are rejected.
- ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- ☐ Claims \_\_\_\_\_ are subject to restriction or election requirement.

## Application Papers

- ☐ See the attached Notice of Draftsperson's Patent Drawing Review, PTO-948.
- ☐ The drawing(s) filed on \_\_\_\_\_ is/are objected to by the Examiner.
- ☐ The proposed drawing correction, filed on \_\_\_\_\_ is ☐ approved ☐ disapproved.
- ☐ The specification is objected to by the Examiner.
- ☐ The oath or declaration is objected to by the Examiner.

## Priority under 35 U.S.C. § 119

- ☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).
- ☐ All ☐ Some\* ☒ None of the CERTIFIED copies of the priority documents have been
- ☐ received.
- ☐ received in Application No. (Series Code/Serial Number) \_\_\_\_\_.
- ☐ received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

\*Certified copies not received: \_\_\_\_\_

- ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

## Attachment(s)

- ☒ Notice of References Cited, PTO-892
- ☐ Information Disclosure Statement(s), PTO-1449, Paper No(s). \_\_\_\_\_
- ☐ Interview Summary, PTO-413
- ☐ Notice of Draftsperson's Patent Drawing Review, PTO-948
- ☐ Notice of Informal Patent Application, PTO-152

--- SEE OFFICE ACTION ON THE FOLLOWING PAGES ---

Art Unit: 2163

### **DETAILED ACTION**

1. As noted in the withdrawal from issue dated October 18, 2000, the examiner has reviewed the prior art and a new rejection of all the claims is found below.

#### **Claim Rejections - 35 USC § 112**

2. Claims 9 and 28 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 9 recites the limitation "the executed trade". There is insufficient antecedent basis for this limitation in the claim.

Claim 28 recites the limitation "the additional step". There is insufficient antecedent basis for this limitation in the claim.

#### **Claim Rejections - 35 USC § 103**

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person

Art Unit: 2163

having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 1-9, 12-13, 21-32 are rejected under 35 U.S.C. 103(a) as being unpatentable over The Depository Trust Company (Herein referred to "DTC") in view of Hawkins et al. (US. 5,497,317).

As per claims 1, 9, 12-13, 21-22, 29, and 31, DTC discloses:

a system for settlement of a securities trade by obtaining agreement as to the details of the trade among a broker, institution, agent and interested parties comprising:

- a. A broker, institution, agent and interested parties to send and receive communications (Page 3, lines 1-8).
- b. A standing instruction database containing sets of instructions for trade settlement previously input by the institution, the broker and the agent (Page 3, lines 4-8).
- c. Standing instructions database (Page 3, lines 4-6) which is configured to :
  - i. Receive a communication from the broker containing notice of order execution information (Page 3, lines 20-22).
  - ii. Receive a communication from the institution containing institution allocation information (Page 3, lines 22-26).
  - iii. Match, the institution communication with the broker communication based on information contained in both communications (Page 4, lines 14-16).
  - iv. If there is a match, generate a confirmation for the trade based on information contained in the broker communication, information contained in the institution communication and information stored in the standing instructions database (Page 20, lines 5-10).

Art Unit: 2163

v. Make available the confirmation as a communication to the institution, broker, agent and interested parties which facilitates the exchange of money and securities to settle the trade (Page 20, lines 9-11).

DTC discloses all of the limitations above, but fails to disclose a processing computer. Hawkins discloses a trading system using a computer system to include a software, and computer processor (column 4, lines 65-66; column 5, lines 1-5). It would have been obvious to a person of ordinary skill in the art at the time of the applicant's invention to combine the disclosure of THE DTC report with Hawkins et al. One would have been motivated to use this combination because it would provide the capability to quickly and efficiently execute trading transactions.

As per claims 2, 23, and 32, DTC discloses the system of claim 1 where the broker communication and the institution communication each contain the data fields of:

an institution identification number, a broker identification number, a security identification number, a buy/sell code, a number of shares or face value, a settlement amount (Page 35 paragraph number 4).

As per claim 3 and 24, DTC discloses a broker identification number for that communication and the institution communication comprises a data field to reference the identification number of the broker communication and the processing computer matches the broker communication and the institution communication on the basis of the broker identification number (see entire page 34).

As per claim 4, DTC discloses wherein the information in the standing database contains record for the internal customer account numbers of the institution's accounts and the

Art Unit: 2163

corresponding internal account numbers used by the broker for those accounts and a record to link those internal account numbers and if there is a match, the processing computer generates the confirmation by accessing the record that links the internal account numbers and the database on those account numbers. See pages 38 and 39 of DTC.

As per claim 5 and 25, DTC discloses an institution communication both contain a data field indicating a settlement amount for the trade, the institution communication additionally contains a tolerance data field which specifies a tolerance value by which a match based on settlement amount could vary and the processing computer matches the broker communication and the institution communication so long as the settlement amounts vary only by an amount within the tolerance (Page 36, last paragraph: Page 51, last 4 paragraphs).

As per claims 6 and 26, DTC discloses a system in which the institution communication contains a data field which indicates that the institution is the affirming party for the trade and the processing computer generates a confirmation which contains this indication in a data field (Page 52, last two paragraphs).

As per claims 7, 8, 27, 28 and 32, DTC fails to explicitly disclose the processing computer being coupled to a match database into which the processing computer stores the broker and the institution communication and retrieves it before attempting to match the broker communication with the institution communication (page 12, paragraph 3).

As per claim 13, DTC discloses: a broker communication containing data within data fields designated by:

Art Unit: 2163

a. An institution identification number, a broker identification number, a security identification number, a buy/sell code, a number of shares or face value, a settlement amount, trade date, and trade settlement date (Page 35 paragraph 4).

b. An institution communication containing data within data fields designated by:  
An institution identification number, a broker identification number, a security identification number, a buy/sell code, a number of shares or face value, a settlement amount (Page 35 paragraph 4).

Compare (match), the institution communication with the broker communication based on information contained in both communications (Page 4 of 72, lines 14-16; Page 20, lines 5-10).

iv. If there is a match, generate a confirmation for the trade based on information contained in the broker communication, information contained in the institution communication and information stored in the standing instructions database (Page 20, lines 5-10).

DTC fails to explicitly disclose a processing computer. However, Hawkins discloses the use of a computer system and a computer processor column 4, lines 65-66; column 5, lines 1-5). It would have been obvious to a person of ordinary skill in the art at the time of the applicant's invention to modify the disclosure of the DTC by including a computer processor as taught by DTC. In so doing would provide the capability to execute trade transactions faster and efficiently.

As per claim 30, DTC further discloses the claimed limitation "wherein the step of storing information in the standing database comprises the storing of records for internal customer account numbers of the institution's accounts and corresponding internal account

Art Unit: 2163

numbers used by the broker for those accounts and a record to link those accounts and the step of generating a confirmation and comprises the further step of accessing the record that links the internal account records and accessing the internal account number records based on that link” by linking the broker account numbers to customer accounts. See page 18, paragraph 4 of DTC.

5. Claim 14-20 are rejected under 35 U.S.C. 103(a) as being unpatentable over DTC in view of Lupien (6,098,051).

As per claim 14, DTC discloses:

- a. A trade confirmation communications system comprised to receive, process and transmit communications from and to the parties (Page 3, lines 1-8).
- b. A standing instructions data base coupled to the trade confirmation communications system having at least one data table (for storing a plurality of information related to the trade stored by at least one of the parties (Page 3, lines 4-8; Page 50, paragraph# 4).
- c. Receive a trade communication containing order execution information from one of the parties and receiving information concerning a trade allocation information from an other one of the parties (Page 3, lines 20-26); and
- d. The trade communications system further comprised to generate a confirmation based on information within the received communication and information stored within the standing instruction database (Page 20, lines 9-11).

DTC fails to explicitly disclose a matching controller. Lupien discloses a crossing network utilizing satisfaction density profile comprising a matching controller (col. 6, lines 46-60). It would have been obvious to a person of ordinary skill in the art at the time of the



Art Unit: 2163

applicant's invention to modify the disclosure of DTC by including a matching controller. In so doing, would provide the capability to quickly and efficiently execute and matching trading transactions.

As per claim 15, DTC further discloses of institution, brokers, and interested parties information in a table, but fails to explicitly disclose a data table for each of these entities. Thus, it would have been obvious to a person skilled in the data processing art to include these data tables into DTC for facilitating easy entry and deleting of trading information for his users.

As per claim 16, DTC discloses the claimed limitation "wherein the standing database further comprises at least one institution information data table and wherein at least one institution information data table id for storing institution and account information" by entering account information (page 40, paragraph 1).

As per claim 17, DTC further discloses the claimed limitation "wherein the standing database further comprises at least one institution information data table and wherein the at least one broker information data table is for storing settlement information" by entering settlement information (see entire page 40 of DTC).

As per claim 18, Hawkins further discloses the claimed limitation "wherein the instruction database further comprises at least one institution information data table and wherein at least one broker/institution link data table is for storing a set of cross-references between the broker account number and the institution customer account number (col. 6, lines 9-35).

As per claim 19, DTC discloses the claimed limitation "wherein the standing instruction database further comprises at least one institution information data table and wherein at least one

Art Unit: 2163

As per claim 20, DTC discloses the claimed limitation wherein the data table further comprises at least one file containing the names and addresses all parties involved in the trade (page 54 paragraph# 3).

### Conclusion

6. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Romain Jeanty whose telephone number is (703) 308-9585. The examiner can normally be reached on weekdays from 7:30 am to 6:00 pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Tariq R. Hafiz can be reached at (703) 305-9643.

The fax number for Formal or Official faxes to Technology Center 2700 is (703) 308-9051 or 9052. Draft or Informal faxes for this Art Unit can be submitted to (703) 308-5357.

Any inquiry of a general nature or relating to the status of this application should be directed to the group receptionist whose telephone number is (703)308-3900.

Romain Jeanty

Art Unit 2163

January 23, 2001.



TARIQ R. HAFIZ  
SUPERVISORY PATENT EXAMINER  
TECHNOLOGY CENTER 2100